

MINUTES OF THE NEBRASKA NATURAL RESOURCES COMMISSION MEETING

July 13, 2006
Game and Parks Commission
Visitors Center at Kingsley Dam
Ogallala, Nebraska

Those in attendance were:

Garry Anderson, Chair	Ken Berney
Jim Van Marter, Member	Bob Hilske
Wayne Madsen, Member	Ralph Puls
John Burkholder, Member	Glenn Johnson
Richard Hadenfeldt, Member	Roger Houdersheldt
Vince Kramper, Member	John Turnbull
Beverly Donaldson, Member	Jay Bitner
Richard Jiskra, Member	Mike Murren
Joseph Hergott, Member	John Miyoshi
Arlond Garratt, Member	Beverly Franzen
Clinton Johannes, Member	Myron Franzen
Myron Lembke, Member	Sharon Kumpf
Dan Watermeier, Member	Ann Bleed, Staff
Wayne Davis, Member	Rex Gittins, Staff
Jerry Steinke	Ann Diers, Staff
Mary Reece	Jill Richters, Staff
Mel Brozek	Tina Kurtz, Staff
Tom Knutsen	Jeremy Gehle, Staff
Dean Edson	Tom Pesek, Staff
Mike Sotak	

CALL TO ORDER

The meeting was called to order by Commission Chair Garry Anderson in the meeting room of the Game and Parks Commission Visitors Center near Kingsley Dam at approximately 9:00 a.m.

NOTICE OF THE MEETING

Notice of the meeting was published in the LINCOLN JOURNAL & STAR and the KEITH COUNTY NEWS on July 5, 2006, notifying the public of the meeting.

INFORMATIONAL MATERIAL

The following items of informational material were distributed during the course of the meeting and a copy of each is attached to the file copy of the minutes:

1. Natural Resources Conservation Service Report
2. Nebraska Resources Development Fund Status Report
3. Draft Policy Statement XIII – Operations
4. Table showing Cost-Share Rates on Approved NRDF Projects
5. Letter from Lower Elkhorn NRD regarding Leigh Dam Project
6. Status of Small Watersheds Flood Control Fund
7. Small Watersheds Flood Control Fund – Projected Funding Requests
8. Soil & Water Conservation Fund – Expenditures by Month, 1998-2006
9. Soil & Water Conservation Fund Distribution 2006-07 Table
10. South Platte NRD Water Meter Program Status Report
11. Natural Resources Water Quality Fund Status
12. Water Well Decommissioning Fund Status
13. Proposed Rules and Regulations Changes for Water Well Decommissioning Fund
14. Republican Basin EQIP & Platte – Republican CREP Report
15. DNR Fund Expenditures for May & June 2006

MINUTES

Motion was made by Kramper and seconded by Van Marter to approve the minutes of the May 24, 2006, Special Commission meeting and the May 25, 2006, Commission meeting as distributed. Motion carried.

Aye: Burkholder, Hergott, Davis, Jiskra, Watermeier, Donaldson, Madsen, Kramper, Lembke, Garratt, Johannes, Hadenfeldt, Van Marter, Anderson

Nay: None

Not Present: Korell, Rexroth

ADVISOR'S COMMENTS

Mary Reece, District Conservationist at the NRCS North Platte office, distributed a report to the Commission members and briefly commented on the Environmental Quality Incentives Program (EQIP), the Wildlife Habitat Incentives Program (WHIP), the Wetland Reserve Program (WRP) and the Conservation Security Program (CSP) along with the Conservation Innovation Grants in Nebraska that have been approved. She also noted that Bruce Knight, NRCS Chief, will become the new USDA Under Secretary for Marketing and Regulatory Programs. Knight's successor will likely be announced this fall.

ACTING DIRECTOR'S REPORT

Ann Bleed commented on the low streamflow levels throughout the state. Surface water administration at a location downstream from Guide Rock on the Republican River was necessary for the first time recently. North Platte River flows are currently being regulated for a 1894 surface water right. The Missouri River is also recording low flows. She announced that Jeremy Gehle will replace Tom Pesek, Administrative Coordinator of the Nebraska Resources Development and the Small Watersheds Flood Control Fund. He will be retiring on August 31. Ann Diers, Chief Legal Counsel, has accepted a position with Ameritas in Lincoln. Her last day with the Department will be August 14. Jim Cannia left the Department for a position with U.S.G.S. and will be replaced. The Department is also looking for two groundwater modelers.

ENVIRONMENTAL TRUST

Vince Kramper briefly referred to the "no comment" order in effect and noted the next meeting of the board will be held August 27-28, 2006, in Lincoln. He added that new applications for grants are currently being received.

PLATTE AND REPUBLICAN RIVER ACTIVITIES

Bleed said the Department is currently attempting to determine the number of new acres irrigated since July 1, 1997, in the overappropriated area of the Platte River Basin. She noted that Colorado and Wyoming are ready to sign the Platte River Implementation Program and Governor Heineman has scheduled public meetings in Scottsbluff, Grand Island, and Lincoln before he makes a decision whether to sign. She commented that there is a lot at stake regarding the new depletions plan and it is important for the State of Nebraska to fund it to maintain the North Platte River system. She noted that Nebraska has used about 104,000 acre-feet above its allocation during the past three years in the Republican River Basin. An EQIP program has just been approved to pay for the permanent retirement of irrigated acres in the Republican River Basin.

WATER POLICY TASK FORCE

Clint Johannes reported that funding and instream flow were the main issues discussed at the last Task Force meeting. Bleed commented that an amendment to a rule will be considered to add a second test in addition to the 65%/85% rule. Public hearings will be held at Grand Island on August 11th and at Lincoln on August 18th. There is a proposal under consideration from the Game and Parks Commission to determine the habitat needs of the piping plover and least tern along the lower Platte River. Ray Supalla has been conducting surveys regarding the buying out of irrigated acres. His surveys indicate that some landowners will not sell if the purpose is to benefit threatened and endangered species. John Burkholder commented there is the alternative of reducing plant population rather than irrigated acres as it is easier to deal with less water use rather than a reduced number of irrigated acres.

PROGRAM COMMITTEE

Johannes reported that Pesek had reviewed the Nebraska Resources Development Fund Status Report at the Program Committee meeting. Draft Policy Statement XIII had been discussed. Motion was made by Johannes and seconded by Jiskra to accept Policy Statement XIII in theory but not take action on it until the NRDF rules and regulations relating to project life period are modified. Motion carried.

Aye: Hergott, Davis, Jiskra, Watermeier, Donaldson, Madsen, Kramper, Lembke, Garratt, Johannes, Hadenfeldt, Van Marter, Anderson, Burkholder

Nay: None

Not Present: Korell, Rexroth

Pesek said the recreation day value will be indexed up to \$7.03 and referred to a Corps of Engineers memo regarding recreation day value relative to the quality of the recreation experience. John Turnbull referred to information from the Game and Parks Commission that showed higher recreation day values and said a substantially higher recreation day value would be necessary for the proposed Kezan Creek Project to be economically feasible. It was suggested that certain criteria would have to be met for the recreation day value to be higher than \$7.03. Jiskra commented that there is value in sediment and nutrient retention by dams/reservoirs and this needs to be looked at. A table on NRDF cost-share rates had been reviewed at the Program Committee

meeting and Pesek had noted that project proposals regarding a rehabilitation project and a flow augmentation project were forthcoming.

Johannes reported that the Lower Elkhorn NRD's request regarding land rights for the Leigh Dam Project had been discussed. Motion was made by Johannes and seconded by Garratt to authorize the Lower Elkhorn NRD to proceed with land rights acquisition effective immediately. Motion carried.

Aye: Davis, Jiskra, Watermeier, Donaldson, Madsen, Kramper, Lembke, Garratt, Johannes, Hadenfeldt, Van Marter, Anderson, Burkholder, Hergott

Nay: None

Not Present: Korell, Rexroth

Pesek noted that the Department of Roads had not completed their review of the design of the Highway 91 improvements associated with the Leigh Dam Project but would do so within the next two weeks. Commission action regarding cost increases associated with land rights and construction will be scheduled for the September Commission meeting.

Glenn Johnson, Manager of the Lower Platte South NRD, briefed the Commission on the amendment it has submitted to the Antelope Creek Project application. The amendment is for components that include construction and recreation development at a total cost of \$2,650,000 and a NRDF cost of \$1,590,000 at a cost-share rate of 60%. The amendment will be reviewed by DNR staff and Commission action may be scheduled at the next meeting.

Mel Brozek, Manager of the Sargent Irrigation District, and Tom Knutsen, Manager of the Farwell Irrigation District, briefed the Commission on the Milburn Dam Rehabilitation Project proposal. They are requesting a NRDF loan of \$100,000 and a grant of \$200,000 for the project. The proposal will be reviewed by DNR and other state agency personnel and will be on the agenda of the next meeting as an action item.

The Lower Platte North NRD has submitted a draft application/feasibility report for the Lake Wanahoo Project near Wahoo. John Miyoshi and Mike Murren of the NRD and Mike Sotak of Olsson Associated gave the project briefing. They said they are requesting a NRDF grant of \$7,100,000 although the total cost of the dam is not certain due to possible design changes. The project is receiving federal funds under the Corps of Engineers Environmental Restoration Project program. Recreation facilities will be developed around the 639-acre reservoir. The NRD is looking to award a construction bid for the dam in the summer of 2007.

The Papio-Missouri River NRD has submitted a draft application/feasibility report for the Jones Creek Site 15 Project near Hubbard. Ralph Puls of the NRD and Jason Farnsworth of Olsson Associates briefed the Commission on the project. This multi-purpose project includes a 826-acre project area and a 228-acre reservoir with a mean depth of 17 feet. The recreation plan includes equestrian facilities and mountain biking. The project has a total cost of \$9,700,000 and the NRD is requesting a 75% grant.

Johannes noted that Pesek had reviewed the status report for the Small Watershed Flood Control Fund at the Program Committee meeting and had distributed a table containing the projected needs for easements and fee title acquisitions in the next two fiscal years. Motion was made by Johannes and seconded by Jiskra to establish the Revolving Fund Base for the Small Watersheds Flood Control Fund at \$800,000 for Fiscal Year 2007. Motion carried.

Aye: Jiskra, Watermeier, Donaldson, Madsen, Kramper, Lembke, Garratt, Johannes, Hadenfeldt, Van Marter, Anderson, Burkholder, Hergott, Davis

Nay: None

Not Present: Korell, Rexroth

Johannes reported that Jill Richters had distributed and reviewed status reports on the Soil and Water Conservation Fund, the Natural Resources Water Quality Fund, and the Water Well Decommissioning Fund at the Program Committee meeting. Jeremy Gehle had also reported on the status of the EQIP and CREP programs. Rex Gittins stated that, due to recent legislation, the rules and regulations of the Water Well Decommissioning Fund would need to be changed. He distributed the proposed changes and said a hearing on the proposed rules and regulations will be scheduled for the next meeting.

INTERRELATED WATER MANAGEMENT PLAN

Bleed reported that the draft Guidelines and Limitations for the Interrelated Water Management Plan Program had been discussed at the Program Committee meeting. Clarification regarding in-kind services and revenue as they applied to the local NRD's cost-share requested during the Program Committee meeting was presented by Johannes and Bleed. Appropriate changes in the wording were made and motion was made by Johannes and seconded by Kramper to approve the Guidelines and Limitations for the Interrelated Water Management Plan Program as distributed and revised. Motion carried.

Aye: Watermeier, Donaldson, Madsen, Kramper, Lembke, Garratt, Johannes, Hadenfeldt, Van Marter, Anderson, Burkholder, Hergott, Davis, Jiskra

Nay: None

Not Present: Korell, Rexroth

ANNUAL PLAN OF WORK

Gittins commented that the Annual Plan of Work had been mailed to the Commission members for review and comment. Any comments should be sent to Gittins by July 31.

ANNOUNCEMENTS, FUTURE MEETINGS, AGENDA ITEMS

Lembke invited the Commission to hold its July 2007 meeting in the Scottsbluff-Gering area. The next meeting will be held in Kearney on September 26, 2006, following the NARD annual meeting. Van Marter requested that assisting NRDs with phreatophyte control be placed on the agenda for the September meeting. Anderson commented that the Interrelated Water Management Program may provide funding for that.

ADJOURNMENT

The meeting was adjourned at approximately 11:00 a.m.

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Chair

Acting Director of Natural Resources